(b) No, Sir.

(c) No, Sir.

(d) No, Sir.

(e) Does not arise.

Raids by Income Tax Department

3400. SHRI AMIR ALAM KHAN: Will the Minister of FINANCE be pleased to state:

(a) the number of houses raided by the Income Tax officials during the last three months in Muzaffarnagar District, Uttar Pradesh;

(b) the details of objectionable documents and other valuables seized during the raids;

(c) the details of cases registered against those involved in tax evasion, possession of illegal property, disproportionate amassing of cash and jewellery during the raids; and

(d) whether Government proposes to conduct more such raids in a time bound manner to unearth the rising cases of tax evasion?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) No. Search and Seizure action has been conducted by the Income Tax Department in Muzaffarnagar District of Uttar Pradesh during last three months.

(b) and (c) Not applicable in view of the answer to part (a) above.

(d) Conducting of Income tax searches is an ongoing process based on information in the possession of Income Tax Department.

Home loan at lower interest rate

3401. SHRI PARIMAL NATHWANI: Will the Minister of FINANCE be pleased to state:

(a) whether Government is intending to extend home finance at lower rate of interest especially to the economically backward class people;

(b) if so, the details thereof;

(c) whether there is any planning to provide home finance at lower rate to lower income class people; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) to (d) Yes, Sir. A new scheme of Interest Subsidy Scheme for Housing to Urban Poor (ISHUP) has been launched by the Government to provide interest subsidy of 5% (ISHUP) on

home loans upto Rs. 1 lakh availed by Economically weaker Sections (EWS) and Low Income Groups (LIGs). The loan can be taken for acquisition of house or construction of house provided the beneficiary does not already own a house. The nodal agencies for implementation of the Scheme are the National Housing Bank (NHB) and the Housing and Urban Development Corporation Limited (HUDCO), whereas loans for the Scheme can be given by commercial banks as well as housing finance companies.

A special scheme called the Rural Housing Refinance Scheme some also introduced by the National Housing Bank (NHB) in the year 2008-09. The Scheme is funded through a special allocation 'Rural Housing Fund (RHF)' of the order of Rs. 2,000 crore. The Scheme benefited the weaker sections as defined in the priority sector guidelines of Reserve Bank of India (RBI) including SC/ST, Minority, Small and Marginal farmers, Share croppers and Rural women.

More than one lakh dwelling units have been provided financial assistance out of the funds disbursed under the Scheme. About 50% of the beneficiaries are women while the SC/STs and the minority communities have share of about 11.5% each.

Further, the Union Budget has allocated Rs. 2000 crore to NHB under RHF for the current year *i.e.* 2009-10 to be utilized for providing housing to the weaker sections in the rural areas including people having annual income utpo Rs. 2.00 lakh per annum.

Amendment to FRBM Act

3402. SHRI R.C. SINGH: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that some States are requesting the Central Government to amend Fiscal Responsibility and Budget Management (FRBM) Act and allow it to borrow money from the market in view of the global recession;

(b) if so, the details thereof;

(c) whether it is also a fact that the Central Government has allowed States to borrow money from the market; and

(d) if so, the details of money borrowed by various States in the last three years, year-wise?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) to (d) Finance Ministers of some States requested the Central Government during pre-budget consultation held on 11 June, 2009 with the Union Finance Minister, to amend Fiscal Responsibility and Budget Management (FRBM) Act and allow them to borrow more money. The main issues raised by the State Finance Ministers are given in the Statement. (*See* below).

The Union Finance Minister in his Budget speech on 6 July, 2009 has announced relaxation of fiscal deficit target for States from 3.5% to 4% of their Gross State Domestic Product for the financial year 2009-10.

A statement showing amounts borrowed by the States from the open market during 2006-07, 2007-08 and 2008-09 is given in the Statement-II.